

GSA POINT PAPER

The GSA organization is of gargantuan proportions, is bureaucratic, and provides most services on a monopolistic basis. Size, bureaucracy, and monopoly combine to aggravate managerial and administrative considerations that are common to all organizations, particularly federal entities, i.e.,

- ° There are few standards or feedback mechanism to evaluate responsiveness, effectiveness, and efficiency; therefore, there is no signal when GSA is performing poorly.
- ° There are few incentives for good management and few disincentives for poor management.
- ° There is a general lack of a sense of urgency or importance, to the extent that even telephone communication is often time consuming or impossible.
- ° By their perceptions, in which we are in agreement, they are often understaffed, are often underfunded, and the personnel are often underpaid and/or under-motivated.
- ° There is a lack of authority and willingness to make decisions, particularly in the wake of the recent disclosures of dishonesty and fraudulent behaviors.
- ° There can be lengthy delays due to the plethora of confusing and restrictive central regulations and congressional directives, oversight committees, etc.

The efficiency of centralized service, with the potential attendant savings to the taxpayer, is often realized at a cost in responsiveness to the customer. The question is if the centralized GSA organization has become complex enough and powerful enough that the balance between efficiency and response is no longer reasonable; the centralized service both relatively costly and unresponsive.

This Agency's involvement with GSA is multidimensional, involving the operation, maintenance and alteration of facilities, engineering, housekeeping, procurement, supply and transportation. Relations have been good, with interpersonal relationships at the individual level excellent. Most GSA representatives are eager to be responsive. Nonetheless, although there are many examples of organizational success, it is also common for the GSA system to preclude responsiveness. This Agency does observe a strong

correlation between unresponsiveness and monopoly; those areas where this Agency must go to GSA for services are usually the areas that GSA is least responsive. Poor response has forced this Agency to use talent to help GSA to help us; professional personnel that could be more effectively utilized in directly accomplishing tasks through existing Agency authorities. The world situation is fluid and mission requirements often cannot be anticipated; specific support requirements therefore cannot be incorporated into long range plans. Mission duration is often less than the time GSA requires to respond to our requests for services. To meet our mission either GSA must become more responsive or delegations from GSA are necessary; delegations with the appropriate constraints and procedures for audit.

The recurrent theme that permeates throughout the following examples is that both overall governmental efficiency and responsiveness of service can be greatly improved through the judicious and controlled delegation of specific authorities by GSA to this Agency.

The remainder of this paper will identify in more detail the categories of services received from GSA. The organization of the paper will be to identify the category of service, provide an introductory narrative (background) and then identify the issues, followed by a recommendation for improvement. Typical of most customers who receive services from others, the bulk of the narrative is concerned with GSA services that lack some combination of effectiveness, efficiency, responsiveness or adequacy. Service that is responsive is often taken for granted and not documented and studied. The collective memory of this Agency has little difficulty in recalling many examples where GSA has performed above and beyond the call of normal duty to be responsive to our needs, particularly at the individual and working levels.

Category: Acquisition of Lease Space

Background: Although the Agency has, under the provisions of its enabling legislation, authority to lease real property, utilization has been restricted to acquisition of "operational" real estate. Thus the Agency must rely on GSA to satisfy its needs for "administrative" property. Unfortunately, most of the Agency's requirements are for relatively small offices which, although falling within the "administrative" definition, have operational and security characteristics which dictate location, type of space, and time frame. GSA has proven to be uniformly unable to respond in a timely manner to these requirements.

Problem: The GSA appears to be both overworked and understaffed. This problem is exacerbated by an internal bureaucracy which requires many levels of both vertical and lateral approval before

a lease may be signed. In addition, GSA has become the Executive agency responsible for a myriad of social and economic programs designed to revitalize urban areas, employ minorities, aid the handicapped, conserve energy, improve the environment, balance the budget, reduce the size of the federal work force, etc. While worthwhile, the total impact of these programs is to grind the leasing process to a virtual halt. Real impact may be achieved through these programs when applied to large scale federal space programs. Unfortunately, these conditions are applied across the board and affect this Agency's attempts to obtain an 800 square foot office [redacted] as well as construction of a major federal center.

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Examples:

[redacted]

made their previous offices unacceptable. The temporary space, although nearly thrice as large as required, was inadequate from a safety and security viewpoint. Over the ensuing two and one-half years, GSA was unable to locate replacement space. Direct appeals were made by the DCI, DDA, and D/L to no avail. As a last resort, in November 1979, an Agency Officer spent one week full-time [redacted] surveyed available space, and located an office acceptable to GSA and the Agency. It then took GSA until February 1980 to negotiate and sign a lease.

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2. In 1975, the Agency formally requested that GSA obtain 85,750 square feet of office and special purpose space to meet expanded Agency requirements. Problems involving GSA funding restraints, leasing priorities, and moratoriums delayed formal solicitation for offers until May 1979. Negotiations continued until November 1979, at which time GSA General Counsel, overruling their local National Capital Region, determined that GSA could not enter into a lease. Leasing authority was subsequently delegated to the Agency.

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3. Requests by [redacted] [redacted] were held by GSA for two years. In both instances, GSA ultimately advised that owing to the tight leasing market, space of this small size was not available. In both instances, the Agency subsequently located suitable space. STATINTL

Pros: GSA provides a certain flexibility [redacted] and insures that leasing reflects current rules and regulations governing space acquisition. They also assume the administrative burden of lease payments and ongoing relations with the landlord. Because of the large volume, they are presumably very familiar with their local leasing market.

Cons: The non-responsiveness results in an inordinate amount of time consumed simply attempting to get GSA to react. This largely non-productive effort far exceeds the time involved in direct leasing. GSA is, at best, only vaguely aware of security and cover conditions which affect many of our offices and totally unaware of the operational forces which affect our space planning efforts.

Recommendation: The Agency has repeatedly sought a delegation from GSA allowing us to lease office space up to 5,000 square feet. This delegation was recently given and has proven to be quite workable. By virtue of its [redacted] responsibilities, this Agency has a professional cadre of engineers and realty officers. These personnel are competent to design and lease office space. Use of the delegation has cut leasing delays from literally years to weeks. The square foot restriction on this delegation should be removed and future leasing should only require coordination with GSA and adherence to the Federal Property Management Regulations.

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Category: Repair and Alteration

Background: The Agency requests reimbursable services outside of those provided under SLUC by means of GSA Work Authorization Form 2957. Supposedly, GSA provides the Agency "detailed estimates" but in fact only overall figures for labor, material, and total is reflected and that in absolutely no detail. Wide variations in material quantities, oversights, duplication between shops, and other discrepancies are possible and likely with no way to verify what the situation is.

Problem: Since the Agency is a captive customer and must deal with GSA without the benefit of competition, it ultimately faces a "take it or leave it" bargaining situation. It is absolutely necessary that the Agency be able to judge the adequacy of transactions in order to satisfy its own auditors who are always on the alert for work purchased for amounts higher than Agency estimates. Estimates in sufficient detail to show material lists and manhours per job element must be prepared at some level and these papers would be extremely useful at negotiation sessions.

Most construction is preceded by a feasibility study, construction drawings and specifications (design), and finally, after award, the actual construction takes place. This assumes that the Architect and Engineer selection process which takes usually eight months, congressional prospectus process (if the project is of significant size) which may take from two to five years, and the budget process is all satisfied. Given the GSA staffing and competition for those limited resources from other agencies, only the highest priority projects get any attention at all and important projects continually slide further behind. Limited resources available to the Agency are consumed in trying to prod GSA into action.

Pros: There are certain projects which can be forecast far enough in advance to get GSA moving in an acceptable time frame. Useful life of capital improvements can be predicted and replacements set in motion. In some instances, GSA can, and occasionally does, program the necessary funding. Where this Agency can provide guidance and prodding, with GSA doing the rest, is considered an advantage. Where fiscal year funds are involved, arrangements can occasionally be made in sufficient detail to obligate Agency funds with GSA performing the majority of the actual project administration. This is considered an advantage where time permits.

Cons: When an operational exigency exists, the GSA mechanism for quick response is not responsive. Only utilization of maximum Agency influence at the highest level can achieve improved response and then only in extremely rare cases. Installation of major equipment, even when it is provided by the Agency, takes years to accomplish and then with only minimum efficiency and coordination evident as seen in the installation of emergency generators at the power plant.

Recommendations: That ability and necessity to utilize the GSA process be at the discretion of designated Agency officials. That it be clearly defined as a legitimate Agency authority to accomplish necessary repairs and alterations, including new construction, through its own resources, by direct contract, or through the existing reimbursable GSA process described above.

Category: Operations and Maintenance

Background: GSA supposedly provides a habitable environment for a normal 40 hour work week under the provisions of the Public Buildings Standard Level User Charge (SLUC) process. Funds over and above the actual amount required for operation are collected for the purpose of providing maintenance, repair, and new construction. Much of the funding collected by GSA from client agencies flows outside the system. It is usually necessary for an Agency to provide additional funds for any service falling outside of the narrowly defined standard services. Our Agency has responsibilities that go 24 hours per day, 365 days per year. Utilities must be continuously available to computers and communication equipment. Backup equipment must be provided, maintained, and operated to preclude either scheduled or unforeseen events from interrupting these critical functions.

Problem: GSA is either unwilling or unable to provide the 24 hour level of reliable service concerned. Even though reimbursed to provide the necessary resources it allows emergency equipment to become and remain inoperative, preferring to hope the primary equipment stays on line. Important equipment may remain inoperative for years such as #3 1500 ton chiller in the power plant, the Dunham Bush 500 ton chiller in the Headquarters Building, and the central control air compressors in the Headquarters Building.

After years of "recruiting" the diesel technicians and electricians to operate the multimillion dollar emergency power system, the system is still not staffed to have the necessary personnel available for 24-hour coverage at the minimum acceptable level.

Pros: The bad state of affairs just described has few advantages beyond the fact that there are usually a few GSA mechanics around when an emergency occurs. GSA seems emergency breakdown oriented and responds reasonably well when the last operable piece of equipment fails. When things are going well they do handle their own personnel and administrative headaches without burdening our own resources.

Cons: The Agency goal and objective is to avoid rather than react to breakdowns. Enormous investments in time, engineering, and capital expenditures are pre-empted by poor maintenance, deferred repairs, and incapable or non-existent operators.

Recommendations: That the Agency be totally removed from the SLUC process and be enabled to utilize the funds provided in its budget for that purpose to either continue all or part of the services provided by GSA or to provide or contract directly for these services whenever they may be offered commercially.

Category: Housekeeping

Background: Through an exchange of correspondence in 1959 between the Director of Central Intelligence (DCI) and the Administrator of the General Services Administration (GSA), it was agreed that GSA would perform services incident to the operation, maintenance, protection, and repair of the CIA Headquarters Building. This arrangement went unaltered until 1972 when passage of Public Law 92-313, an amendment to the Property Act of 1949, provided GSA authority to bill Federal agencies for furnished space and services. This billing was identified as a Standard Level User Charge (SLUC), designed to provide GSA with reimbursement for the provision of a standard level of service plus an amount for a Federal Building Fund to provide for acquisition of new Federal buildings. In anticipation of the adverse effects that PL 92-313 might have on the CIA, the DCI, in November 1973, forwarded an appeal to GSA for exemption of the Headquarters complex and the NPIC facility housed in [redacted] This appeal was denied by GSA. Consequently, all Agency properties subject to the provisions of PL 92-313, including Headquarters and [redacted] were identified to GSA, thus establishing the basis for our current relationship.

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Problem: Support provided by GSA to this Agency under the SLUC arrangement has never measured up to Agency expectations, although this has, no doubt, been due in part to the thankless nature of many of the services being provided. However, over the past several years, the quality of these services has deteriorated to a point where it not only adversely impacts on the morale and safety of our employees, but is impacting on the overall

efficiency of Agency operations. Hundreds of pages of correspondence concerning specific examples are available in the Logistics Services Division and the Real Estate and Construction Division but are not included in this paper.

Pros: Although responsiveness suffers and difficulties arise due to the inherent crossing of GSA/CIA organizational lines and perceived prerogatives, GSA is convenient and is saddled with the complexities of hiring, motivating and controlling a blue collar work force.

Cons: GSA is not responsive. We often use manpower inefficiently due to dissimilar goals, standards and procedures.

Recommendation: The Agency must have some control over the environment in which the Agency exists. Authority should be delegated to the Agency to contract independently of GSA for work of all kinds with GSA assuming an audit function. The audit function would be to ensure that GSA standards are incorporated into any contract and to ensure that the GSA forces cannot at the time meet the efficiency or effectiveness of the private sector.

Category: Supply and Procurement

Background: The code of federal regulations, Title 41, Part 101, subchapter E, prescribes regulations, policies, procedures and delegations of authority pertaining to property management and the supply and procurement of goods and services.

Problem: Support by GSA to the CIA has historically included the appropriate delegations of authorities and therefore the GSA/CIA supply and procurement entities have always been responsive to the Agency mission. By way of example, GSA has delegated its exclusive procurement authority for ADPE and related services to the Agency to accommodate its requirements and those of any activity under Agency operational and technical control. The delegation was formally granted to the DCI on 7 December 1973 by the Commissioner, ADTS, GSA. It was amended in September 1978 to update the regulatory citations which operate as limitations on exercise of this authority by the Agency, and to include ADP services such as teleprocessing which, by oversight, was not included in the original delegation. The limitations included in the delegation are those made applicable by GSA to ADP management and procurement on a Government-wide basis (i.e., all Federal agencies). They can be found generally in FPR 1-4.11 and FPMR 101-35 and 36. In addition, the delegation provides for an annual GSA review of ADPE procurement actions as a means of assessing compliance with regulatory procedures.

Pros: The delegation from GSA for ADPE has proven to be advantageous to the Agency for obvious reasons, not the least of which has been the effect of reducing the time required to conduct procurements by eliminating the GSA review and approval

process that would be required in advance of making an award. GSA apparently has found this arrangement satisfactory, since they not only extended the delegation in 1978, but also expanded it to include ADP services.

Cons: None

Recommendation: The effective relationship that exists in the ADPE area could serve as a model for other Agency components who perceive the need to operate in a similar fashion.